

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Amendments to Ethics Rules

Docket No. RM2017-4

Amendments to Supplemental
Standards of Ethical Conduct for
Employees of the Postal
Regulatory Commission

Docket No. RM2017-4

PUBLIC REPRESENTATIVE COMMENTS ON
NOTICES OF PROPOSED RULEMAKING ON
AMENDMENTS TO ETHICS RULES AND
AMENDMENTS TO SUPPLEMENTAL STANDARDS OF
ETHICAL CONDUCT FOR EMPLOYEES OF
THE POSTAL REGULATORY COMMISSION

(June 26, 2017)

The Public Representative hereby provides comments pursuant to the Commission's Notice of Proposed Rulemaking on Amendments to Ethics Rules¹ and Notice of Proposed Rulemaking on Amendments to Supplemental Standards of Ethical Conduct for Employees of the Postal Regulatory Commission.² In those Notices, the Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative.

The Notice of Amendments to Ethics Rules and Notice on Supplemental Standards of Conduct announce the Commission's intention to enhance and amend its ethics rules in order to reflect the Commission's current regulatory role under the Postal Accountability and Enhancement Act (PAEA), Pub. L. 109-435, 120 Stat. 3198 (2006) and to harmonize the Commission's ethics rules with other federal regulations, such as

¹ Notice of Proposed Rulemaking on Amendments to Ethics Rules, May 19, 2017 (Notice of Amendments to Ethics Rules).

² Notice of Proposed Rulemaking on Amendments to Supplemental Standards of Ethical Conduct for Employees of the Postal Regulatory Commission, May 19, 2017 (Notice on Supplemental Standards of Conduct).

5 CFR 2635. Each Notice addresses a different section of the Commission's ethics rules.

The Notice of Amendments to Ethics Rules relates to the Commission's general ethics rules, found in 39 CFR subpart A of part 3000. The proposed revisions address ethical issues raised by the Postal Service's status as a federal agency. Some regulations exempt federal agencies from the ethics rules that are applied to private firms. The Commission states that the proposed rules "will treat [Commission] employees' interactions with the Postal Service substantially the same as if those interactions were with private entities." Notice of Amendments to Ethics Rules at 5.

The Notice on Supplemental Standards of Conduct proposes to revise the Commission's ethics rules concerning prohibited financial holdings, disqualification when seeking non-federal employment, and engagement in outside employment. The Commission notes that these rules have not been revisited since their 1993 adoption. Notice on Supplemental Standards of Conduct at 3. Among other things, the amended rules will require the Commission to compile a list of securities prohibited for Commission staff and their families, set out new guidelines for divestiture of prohibited investments, and would incorporate the Designated Agency Ethics Official (DAEO) in disqualification proceedings.

Comments

The Public Representative commends the Commission's efforts to improve and update its ethics rules. Specifically, it is critical that the Commission's ethics rules accurately reflect its role as a regulator and are reflective of the agency's procedures. The proposed revisions serve the public interest because they provide increased accessibility and transparency. Furthermore, the proposed amendments reinforce public perception of the Commission's integrity.

Given the unique nature of the relationship between the Commission and the Postal Service, it is crucial that the Commission maintain the public's confidence that Commission staff are fulfilling their roles impartially. The Notice of Amendments to Ethics Rules proposes rules that support this goal. The Postal Service's status as a

federal agency has no relevance on the potential for conflicts of interest and the Commission's judgment that the standards applied to private firms should apply to the Postal Service is reasonable.

Similarly, the Notice on Supplemental Standards of Conduct revises the Commission's supplemental rules to ensure that financial holdings and outside employment do not result in the appearance of or in actual conflicts of interest. The Public Representative believes the proposed rules wisely incorporate the Commission's wealth of experience in navigating these issues.

Finally, the Public Representative notes that the proposed deletions are primarily editorial in nature and will not circumscribe the ethical obligations of Commission employees. The proposed revisions delete duplicative and outdated sections of the Commission's rules and replace several sections with new rules.

The Public Representative respectfully submits the foregoing comments for the Commission's consideration.

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